

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT - REVISED

PERMITTEE

TE Products Pipeline Company, Limited Partnership
Attn: Mr. Chandra Sripadam, Senior Environmental Engineer
2929 Allen Parkway
Post Office Box 2521
Houston, Texas 77252-2521

<u>Application No.:</u> 78020046	<u>I.D. No.:</u> 031003ABZ
<u>Applicant's Designation:</u> Blue Island	<u>Date Received:</u> August 14, 2006
<u>Subject:</u> TEPPCO Blue Island Terminal	
<u>Date Issued:</u> November 9, 2006	<u>Expiration Date:</u> November 4, 2007
<u>Location:</u> 3645 West 131st Street, Alsip, Cook County, 60803	

This permit is hereby granted to the above-designated permittee to OPERATE emission unit(s) and/or air pollution control equipment consisting of two 80,453 barrel storage tanks equipped with External Floating Roofs (Tanks 8601, 8602), one 20,000 barrel storage tank equipped with an Internal Floating Roof (Tank 8603), one 1,544 barrel storage tank equipped with an Internal Floating Roof (Tank 8661), one 5,000 barrel storage tank equipped with an Internal Floating Roof (Tank 8662), and associated piping and piping components (valves, flanges, pumps, etc.) pursuant to the above referenced application. This Permit is subject to standard conditions attached hereto and the following special conditions:

- 1a. This federally enforceable state operating permit is issued to limit the emissions of air pollutants from the source to less than major source thresholds (i.e., 100 tons/year for VOM, 10 tons/year for a single HAP and 25 tons/year for combined HAPs). As a result, the source is excluded from requirement to obtain a Clean Air Act Permit Program (CAAPP) permit. The maximum emissions of this source, as limited by the conditions of this permit, are described in Attachment A.
- b. Prior to initial issuance, a draft of this permit has undergone a public notice and comment period.
- c. This permit supersedes all operating permits issued for this location.
2. This permit is issued based on the storage tanks fulfilling the requirements of Sections 218.120-129 of 35 Ill. Adm. Code.
- 3a. Operation of the terminal including the materials stored and throughput shall not exceed the following limits:
 - i. Throughput of Jet A Kerosene, Transmix, Natural Gasoline (Tanks 8601, 8602): 2,500,000 Barrels/Month and 18,250,000 Barrels/Year (Combined)

- ii. Throughput of Jet A Kerosene, Transmix (Tank 8661): 20,000 Barrels/Month and 200,000 Barrels/Year
- iii. Throughput of natural gasoline, conventional gasoline, MTBE, toluene, raffinate/naphtha, Kerosene, Jet A Kerosene, diesel fuel, fuel oil, Transmix (Tanks 8603, 8662): 300,000 Barrels/Month (Combined) and 2,372,500 Barrels/Year (Combined)

- b. Emissions of volatile organic material (VOM) from the terminal shall not exceed the following limits:

<u>Throughput</u>	<u>Activity</u>	<u>Emissions</u>
18,250,000 Barrels/Year	Storage Tanks 8601 and 8602	6.9 T/Yr*
200,000 Barrels/Year	Storage Tank 8661	1.4 T/Yr*
2,372,500 Barrels/Year	Storage Tanks 8603 and 8662	<u>16.5</u> T/Yr*
	Totals	24.8 T/Yr

* Emissions of VOM based on AP-42 equation for breathing and working losses from storage tanks.

- c. Compliance with annual limits shall be determined from a running total of the data for the current month and the 11 previous months, using the records required by Condition 5.
- 4. The emissions of hazardous air pollutants (HAPs) as listed in Section 112(b) of the Clean Air Act shall not equal or exceed 10 tons per year of any single HAP or 25 tons per year of any combination of such HAPs, or such lesser quantity as USEPA may establish in rule which would require the Permittee to obtain a CAAPP permit from the Illinois EPA. As a result of this condition, this permit is issued based on the emissions of any HAP from this source not triggering the requirement to obtain a CAAPP permit from the Illinois EPA.
- 5a. The Permittee shall keep monthly records of the throughput of each tank for each type of material stored (gallons/month).
- b. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least five years from the date of entry and shall be made available for inspection and copying by the Illinois EPA and USEPA upon request. Any records retained in an electronic format (e.g., computer) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA request for records during the course of a source inspection.
- 6. If there is an exceedance of the requirements of this permit as determined by the records required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedance. The report shall include the

emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or violation and efforts to reduce emissions and future occurrences.

7. Two (2) copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance Section (#40)
P.O. Box 19276
Springfield, Illinois 62794-9276

and one (1) copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 60016

8. The Permittee shall notify the Illinois EPA of any change in the type of material stored from those identified in the application.
9. The Permittee shall submit the following additional information with the Annual Emissions Report, due May 1st of each year: throughput of all materials (petroleum products, distillates, additives, etc.) and volatile organic material (VOM) emissions from the prior calendar year. If there have been no exceedance during the prior calendar year, the Annual Emission Report shall include a statement to that effect.

Please note that this permit has been revised to reflect the modifications described in Construction Permit 06080031.

Please note that due to the change in major source threshold for VOM for the Chicago ozone non-attainment area this source may be eligible for a Lifetime Operating Permit. Please provide a Potential to Emit calculation for the entire source with the FESOP renewal application.

If you have any questions regarding this permit, please call Bruce Beazly at 217/782-2113.

Donald E. Sutton, P.E.
Manager, Permit Section
Division of Air Pollution Control

DES:BDB:psj

cc: Region 1

Attachment A - Emissions Summary

This attachment provides a summary of the maximum emissions from this fuel pipeline terminal operating in compliance with the requirements of this federally enforceable permit. In preparing this summary, the Illinois EPA used the annual operating scenario which results in maximum emissions from such a plant. The resulting maximum emissions are well below the levels (i.e., 25 tons per year of VOM) at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that less material is handled, lower volatility materials are processed and control measures are more effective than required in this permit.

<u>Emission Unit</u>	E M I S S I O N S (Tons/Year)		
	<u>VOM</u>	<u>Single</u>	<u>Total</u>
Storage Tanks 8601 and 8602	6.9		
Storage Tank 8661	1.4		
Storage Tanks 8603 and 8662	<u>16.5</u>		
Totals	24.8	< 10	< 25

DES:BDB:psj